

Senate File 452

S-3229

1 Amend the Senate amendment, S-3223, to the House
2 amendment, S-3218, to Senate File 452, as amended,
3 passed, and reprinted by the Senate, as follows:

4 1. Page 61, after line 22 by inserting:

5 <DIVISION
6 MOTOR VEHICLE REGISTRATION FEE EQUITY
7 Sec. ____ . Section 321.55, Code 2013, is amended to
8 read as follows:

9 **321.55 Registration and financial liability coverage**
10 **required for certain vehicles owned or operated by**
11 **nonresidents.**

12 1. A nonresident owner or operator engaged in
13 remunerative employment within ~~the~~ this state or
14 carrying on business within ~~the~~ this state and owning
15 or operating a motor vehicle, trailer, or semitrailer
16 within ~~the~~ this state shall register and maintain
17 financial liability coverage as required under section
18 321.20B for each vehicle and pay the same fees for
19 registration as are paid for like vehicles owned by
20 residents of this state. However, ~~this paragraph~~
21 subsection does not apply to a person commuting from
22 the person's residence in another state or whose
23 employment is seasonal or temporary, not exceeding
24 ninety days.

25 2. a. A nonresident owner of a motor vehicle
26 operated within ~~the~~ this state by a resident of
27 ~~the~~ this state shall register the vehicle and shall
28 maintain financial liability coverage as required
29 under section 321.20B for the vehicle. The nonresident
30 owner shall pay the same fees for registration as are
31 paid for like vehicles owned by residents of this
32 state. However, registration under this paragraph is
33 not required for vehicles being operated by residents
34 temporarily, ~~not exceeding for not more than ninety~~
35 days. For purposes of this paragraph, a vehicle
36 is not operated in the state temporarily, and is
37 therefore subject to registration and the owner is
38 required to pay the applicable fees, if the vehicle
39 is located in Iowa for more than ninety consecutive
40 or nonconsecutive days and is operated on an Iowa
41 highway by an Iowa resident during that time. It is
42 unlawful for a resident to operate within the state an
43 unregistered motor vehicle required to be registered
44 under this paragraph. The ninety-day temporary period
45 of operation provided for under this paragraph does
46 not apply to a vehicle owned by a shell business as
47 provided in paragraph "b".

48 b. On or after July 1, 2013, if the department,
49 in consultation with the department of revenue,
50 determines that the nonresident owner of a vehicle is a

1 partnership, limited liability company, or corporation
2 that is a shell business, it shall be rebuttably
3 presumed that the Iowa resident in control of the
4 vehicle is the actual owner of the vehicle, that the
5 vehicle is subject to registration in this state, and
6 that payment of the fee for new registration for the
7 vehicle is owed by the Iowa resident.

8 (1) Factors which indicate that a partnership,
9 limited liability company, or corporation is a shell
10 business include but are not limited to the following:

11 (a) The partnership, limited liability company,
12 or corporation lacks a specific business activity or
13 purpose.

14 (b) The partnership, limited liability company, or
15 corporation fails to maintain a physical location in
16 the foreign state.

17 (c) The partnership, limited liability company,
18 or corporation fails to employ individual persons and
19 provide those persons with internal revenue service
20 form W-2 wage and tax statements.

21 (d) The partnership, limited liability company, or
22 corporation fails to file federal tax returns, or fails
23 to file a required state tax return in the foreign
24 state.

25 (2) Factors which indicate that a person is in
26 control of a vehicle include but are not limited to the
27 following:

28 (a) The person was the initial purchaser of the
29 vehicle.

30 (b) The person operated or stored the vehicle in
31 Iowa for any period of time.

32 (c) The person is a partner, member, or shareholder
33 of the nonresident partnership, limited liability
34 company, or corporation that purports to be the owner
35 of the vehicle.

36 (d) The person is insured to drive the vehicle.

37 (3) If the department determines that the
38 nonresident owner of a vehicle is a shell business, the
39 department shall notify the Iowa resident in control
40 of the vehicle in writing that the Iowa resident is
41 required to obtain an Iowa certificate of title and
42 registration for the vehicle and pay the fee for new
43 registration owed for the vehicle not later than thirty
44 days from the date of the notice.

45 Sec. ____. Section 321.105A, subsection 7, Code
46 2013, is amended to read as follows:

47 7. *Penalty for false statement or evasion of fee.*

48 a. A person who willfully makes a false statement
49 in regard to the purchase price of a vehicle subject
50 to a fee for new registration or willfully attempts

1 in any manner to evade payment of the fee required by
2 this section is guilty of a fraudulent practice. A
3 person who willfully makes a false statement in regard
4 to the purchase price of such a vehicle with the intent
5 to evade payment of the fee for new registration or
6 willfully attempts in any manner to evade payment of
7 the fee required by this section shall be assessed
8 a penalty of seventy-five percent of the amount of
9 the fee unpaid and required to be paid on the actual
10 purchase price less trade-in allowance.

11 b. An Iowa resident found to be in control of
12 a vehicle which is owned by a shell business and
13 for which the fee for new registration has not been
14 paid, as provided in section 321.55, subsection 2, is
15 guilty of a fraudulent practice. An Iowa resident
16 found to be in control of a vehicle which is owned
17 by a shell business and for which the fee for new
18 registration has not been paid, as provided in section
19 321.55, subsection 2, shall be assessed a penalty of
20 seventy-five percent of the amount of the fee unpaid
21 and required to be paid on the actual purchase price
22 less trade-in allowance.

23 Sec. ____. REPEAL. Section 321.116, Code 2013, is
24 repealed.

25 Sec. ____. APPLICABILITY — PRIOR ELECTRIC VEHICLE
26 REGISTRATIONS.

27 1. Except as provided in subsection 2, the section
28 of this division of this Act that repeals section
29 321.116 applies to the registration of electric motor
30 vehicles for registration years beginning on or after
31 January 1, 2014.

32 2. For an annual renewal of registration for an
33 electric motor vehicle which was registered to the
34 same owner for a registration year beginning prior to
35 January 1, 2014, the annual registration fee shall be
36 according to the terms of section 321.116, Code 2013.>

37 2. By renumbering as necessary.

TOD R. BOWMAN